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IPTS Project  
“Analysis of the Economic Value of Personal Information”

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## OVERVIEW OF THE PROJECT

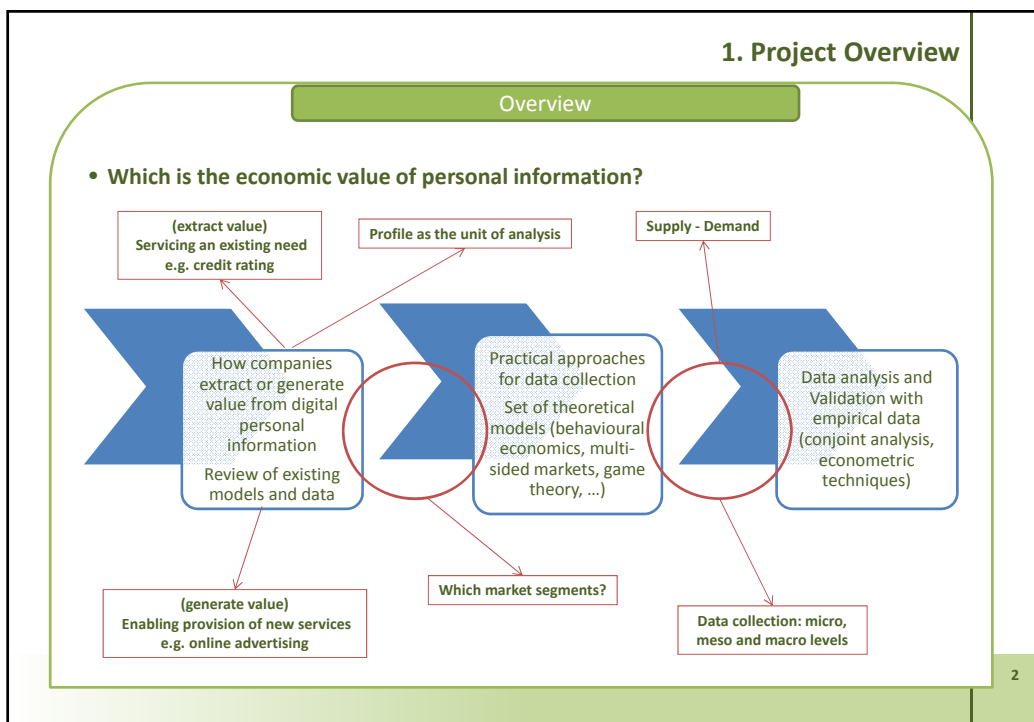
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Brussels, 28 Mar 2012

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## 1. Project Overview

### Research question

- **Which is the economic value of personal information?**
  - How the exchange of information is benefiting society and the economy
  - How companies create value from personal information (by providing new services or servicing better an existing need).
  - The mechanisms by which personal information exchange creates economic value
  - How the level of privacy protection influences value creation in different markets

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## 1. Project Overview

### Expected results (I)

- **Models:**
  - Multi-sided markets
  - Game theory
  - Behavioural economics
- **Data:**
  - Value of profiles at **micro** level [demand-conjoint analysis, supply-cost analysis]
  - Value of profiles at **meso** level [indicators on companies cost/benefits, value-added chain]
  - Value of profiles at **macro** level [size of markets, contribution to GDP]
  - Reviews data collection procedures in previous projects for **re-use of data**
- **Validation:**
  - Stated preference discrete choice **experiments**
  - **Econometric** techniques

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## 1. Project Overview

### Expected results (II)

- Test of **hypotheses**:
  - i. personal information generates **no externalities for the individual**, only companies benefit vs.
  - ii. personal information is an **intangible asset that is beneficial for companies and individuals** vs.
  - iii. **companies' benefits are to the detriment of the user** by exploiting position rents via price discrimination and market power
- In addition to deliverables:
  - **Additional workshop** with main experts
  - **Web2.0 repository** on economics of personal information including project notes, models and data

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## 1. Project Overview

### Summary of deliverables

- **Kick-off minutes** (D1)
- **Experts list** for validation workshop
- **Exploratory workshop** (D1.2)
- **Theoretical overview and methodology** (D2)
- **Interim data set collection** (D3)
- **Draft final synthesis report** (D4)
- **Validation workshop minutes**
- **Final report** (D5) will contain:
  - An executive summary
  - A brief theoretical background for the data collection.
  - Characteristics of the used methodology, including a detailed presentation of used methods.
  - Analysis of all the relevant issues related to economics of personal information, non-personal information and electronic identity.
  - A summary of different value-generating aspects of personal information and how personal information functions as economic object.
  - A description of the most important drivers and barriers for the further economic development of the personal information and electronic identity marketplace
  - A brief analysis of how it could best be regulated by policymakers.
  - The key conclusions to be drawn from the analysis.

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## 1. Project Overview

### Research Team

PERSONNEL	
Staff name	Personnel Category
Claudio Feijoo	Project Manager
Wainer Lusoli	Main Senior Researcher
Jose-Luis Gómez	Senior Researcher
Sergio Ramos	Senior Researcher
Gary Madden	Senior Researcher
Patrick Maillé	Senior Researcher
RAND Europe	Senior Researchers
Rafael Coomonte	Research assistant

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## 3. Methodology – Choice of Market Sectors

Sectors	Main actors
1. Search	Google, Bing
2. Social networking and sharing sites [profile-based]	Facebook, Flixter [video-related], Friendster, LinkedIn [professional], Habbo, Qzone, Google+, Windows Live Spaces, Meetic [dating]
3. Mobile services [advertising and applications]	Foursquare
Online behavioural advertising	AdWords, AdSense, DoubleClick, Valueclick
Public sector services: Financial entitlement management [benefits], Licenses, Tax, Physical services [education, health]	Dependent on MS implementation
Credit assurance	Visa, MasterCard, AMEX
3. Credit referencing and risk management	Experian, Equifax, Companies affiliated with CDIA, EBN
Digital purse	Paypal, Moneybookers
eCommerce	[See subcategories]
3. Medical / healthcare sector, eHealth [PHR]	HealthVault, Dossia, PatientsLikeMe, National schemes in EU27 [for instance, NL]

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